

R590. Insurance, Administration. (Effective 4-22-99)**R590-195. Rental Car Related Licensing Rule.****R590-195-1. Purpose.**

This rule establishes uniform criteria and procedures for the initial and renewal licensing of rental car related insurance agents and agencies, and sets standards of licensing and conduct for those in the rental car related insurance business in the State of Utah.

R590-195-2. Authority.

This rule is promulgated by the insurance commissioner pursuant to the Subsections 31A-2-201(3) authorizing rules to implement the Utah Insurance Code, 31A-23a-106(2)(d) authorizing car rental related insurance as a type limited lines insurance, 31A-23a-110(1) gives the commissioner the authority to prescribe the form licenses covered under Chapter 23a are to be issued, and 31A-23a-113(3) gives the commissioner the authority to prescribe by rule license renewal and reinstatement procedures.

R590-195-3. Scope and Applicability.

This rule applies to all persons and entities engaged in the issuance of rental car related insurance contracts or policies.

R590-195-4. Definitions.

For the purpose of this rule "car rental related insurance" means any contract of insurance issued as a part of an agreement of rental of passenger automobiles and trucks to a gross vehicle weight of 45,000 pounds, for a period of 30 days or less. For the purposes of this rule, definitions contained in chapters 1 and 23a of Title 31A are applicable.

R590-195-5. Agency License and Renewal.

(1) Rental car related licenses are limited lines licenses. These licenses are issued for a two year period and require no examination or continuing education.

(2) Rental car related licenses must be renewed at the end of the two year licensing period in accordance with chapter 23a of title 31A and any applicable department rules regarding license renewal.

(3) Licensing is applicable to all persons and entities involved in the soliciting, quoting, marketing, and issuing of car rental related insurance and must be licensed in accordance with Chapter 23a of Title 31A and applicable department rules regarding individual and agency licensing.

(a) Rental car related licenses may be held either by individuals or entities (agencies).

(b) Licensed individuals must be either appointed by insurers underwriting the insurance policies they sell or be designated to act by an agency licensed under this rule.

(c) Licensed agencies must be appointed by insurers underwriting the insurance policies they sell and must have one designated licensed individual at each location soliciting, quoting, marketing or selling car rental related insurance.

(4) Agencies licensed under the terms of this rule may employ non-licensed personnel employed as rental counter sales representatives in soliciting, quoting, and marketing of car rental related insurance. Such non-licensed personnel must be trained and supervised in the sale of rental car related insurance products and

must be responsible to a licensed individual designated by the agency at each location where these insurance products are sold.

R590-195-6. Penalties.

Violations of this rule are punishable pursuant to Section 31A-2-308.

R590-195-7. Severability.

If any provision or clause of this rule or its application to any person or situation is held invalid, such invalidity will not affect any other provision or application of this rule which can be given effect without the invalid provision or application, and to this end the provisions of this rule are declared to be severable.

KEY: insurance licensing

April 22, 1999

Non-Substantive Changes eff. 3-19-04

31A-2-201

31A-23-204

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